

IMPLEMENTATION TEAM CONFERENCE CALL MEETING NOTES

**July 20, 2001
PORTLAND, OREGON**

1. Greeting and Introductions

The July 20 Implementation Team conference call to discuss a potential 2001 summer spill program was chaired by Jim Ruff of NMFS and facilitated by Richard Forester. The following is a distillation, not a verbatim transcript, of items discussed at the meeting and actions taken. Anyone with questions or comments about these minutes should call Kathy Ceballos at 503/230-5420.

Forester welcomed everyone to the meeting, then led a round of introductions and a review of the agenda.

2. Continued Discussion of Potential 2001 Summer Spill Program and Issue Elevated from TMT.

Ruff noted that the TMT met earlier this morning to discuss some of the technical issues surrounding the potential 2001 summer spill program; at that meeting, Rock Peters of the Corps presented the results of his analysis of the potential benefits of summer spill at the levels and projects requested in 2001. Peters reported that, according to his analysis, in this particular water year, given the extremely low total river flow (70-80 Kcfs) expected during August and September, spill could be expected to yield a 2%-3% survival improvement at The Dalles, compared to survivals under the current no-spill regime; adding spill at Bonneville and John Day Dams is expected to be a push, in terms of the survival benefits compared to the current zero spill program.

Paul Wagner said the TMT also discussed the topic of minimum powerhouse flows and minimum spill volumes at each project, when flows are so low that both minimums cannot be met. The minimum safe spill level at Bonneville is generally thought to be 50 Kcfs, while the minimum powerhouse flow at that project is 30 Kcfs; minimum safe spill at The Dalles is 18 Kcfs-20 Kcfs, while minimum powerhouse flow is 50 Kcfs at that project; the minimum safe spill level at John Day is unknown, but minimum powerhouse discharge at that project is also 50 Kcfs.

Ruff said NMFS has printed out combined subyearling chinook passage to date at McNary and John Day dams; as of July 15, we're at the 80% passage point at McNary, and will be at 90% next week. At John Day, combined subyearling chinook passage, according to DART,

is currently at 70%, with the 80% passage point predicted to occur on July 29, and the 90% point around August 8. The other piece of information is that there are about 8 million juvenile fish in the river between John Day and Bonneville, plus another 2-3 million entering the system from lower river tributaries, Ruff said; these are mainly summer and fall chinook.

Ruff said NMFS has also been analyzing the difference in survival for fish under the BiOp spill program, particularly over the next two weeks, when up to 50% of the subyearling run will be passing John Day; implementing that program over the next two weeks would cost the equivalent of 200 MW-months. The difference in mortality for the various stocks currently in the river, if BiOp spill is provided for the next two weeks, is estimated to be between -5% and -15%, depending on where the fish enter the river and how many dams they have to pass. The stocks used in this analysis include Snake River fall chinook, Upper Columbia fall chinook, Bonneville pool fall chinook, Deschutes River fall chinook and Hanford Reach fall chinook; only the Snake River fall chinook and one of the Bonneville pool chinook stocks are ESA-listed.

NMFS also looked at dam passage survival at Bonneville, The Dalles and John Day, from no spill to 200 MW-months of spill, said Ruff; the highest benefit occurs at Bonneville – 6% according to Sympass – vs. 4% at The Dalles and 2% for John Day. Bill Maslen observed that Sympass assumes relatively normal flow levels, and asked whether NMFS had adjusted the model parameters to reflect the unique conditions seen in the river this year. The short answer to your question is no, Ruff replied.

Have you done any analysis of the percentage of the 8 million fish currently estimated to be in the river that would be saved if a 200 MW-month spill program is implemented? Jim Litchfield asked. No, Ruff replied.

The group spent a few minutes discussing the real meaning of NMFS' survival improvement estimates. The bottom line is that there are as many as 12 million juvenile fish downstream of McNary, said Bob Heinith. Maslen replied that it has also been estimated that subyearling chinook passage at Bonneville is now near the 50% point, so a good percentage of those 12 million fish have already exited the system. Still, we are continuing to see substantial numbers of subyearling chinook passing McNary and John Day, Margaret Filardo said.

What about the system reliability and financial picture? Ruff asked. We have been looking at the WNP-2 problem, said Therese Lamb; the bottom line is that we still have our reliability concern. It is not clear how long the outage at WNP-2 will continue; that's 1,100 MW, which could have a swift and profound impact on our financials, Lamb said – they're working on that, but probably won't have an updated financial picture until Wednesday.

Yesterday you said WNP-2 had a steam leak, said Eric Bloch; you also said the estimate was that it could be fixed in a week. What has changed? he asked. It is a pump seal that was fixed last May, Lamb replied; to be having the same problem again this soon raises the concern that they don't know what the real problem is. Just fixing the seal would take 5 ½ days, said Lamb; however, once they get in there, they could find other problems – at this point, we just

don't know what they're going to find. How long can they keep operating with the leak? Bloch asked. The pump is losing pressure right now; once it reaches zero pressure, they have 100 hours before they would have to drop 400 MW of output, Lamb replied.

Do you know when they're going to shut it down? Heinith asked. We don't know right now – it depends how long it takes to drop to zero pressure, Lamb replied. Does it look like we're OK for the weekend? Heinith asked. We can't say for sure right now, Lamb replied.

It sounds, then, as though BPA is concerned that summer spill would violate the reliability or financial criteria, said Ruff. That's a fair assessment, Lamb replied.

Stan Grace said it is a concern to him to hear the IT talk about system reliability in the abstract. In Montana, we view system reliability as a basic human welfare issue, Grace said – decisions need to be made about the hydrosystem on an empirical basis. While Montana has always advocated erring on the side of the fish in times of plenty, this is not one of those times. Montana simply can't recommend that spill be implemented this summer, based on what we've heard over the past two days, said Grace.

Bob Heinith said the Columbia River treaty tribes also have health and welfare issues, which are tied directly to the abundance of salmon. If no salmon return in two or three years, that is going to have a profound negative impact on tribal health and welfare, Heinith said.

So how do we decide this question? Doug Arndt asked. NMFS has always supported spill for fish and summer spill, said Ruff, as long as we're within the system reliability and financial criteria laid out in the federal operating paper. We're going to have to defer to Bonneville in making that judgement, said Ruff; if BPA says we're on the ragged edge of system reliability and financial viability, NMFS is not going to second-guess that judgement.

In response to a question from Bloch, Lamb said the WNP-2 situation is just one of many factors that are causing BPA uneasiness with regard to this spill proposal – temperatures are not going to stay well below normal on the West Coast for the rest of this summer; we're also concerned about the record low streamflows expected in August and September, and our ability to meet the 28,000 MW-month October 1 storage target.

The Corps is very concerned about these issues, said Arndt – both the biological issues and the financial/system reliability issues. However, this has also been a devastating year for migrating juveniles, and we do need to do everything we can to improve the conditions these fish are facing. This morning, TMT developed a very creative proposal that would be both flow- and criteria-neutral, said Arndt; it would require only 200 MW-months of power purchases. We recognize BPA's concerns, he said, but the Corps is recommending that the 200 MW-month spill program go forward this summer, with a couple of caveats – we need to see BPA's updated financial study, and we need to be certain that this proposal truly is flow- and criteria-neutral. We also have to be sure the power is available for BPA to buy, he said. The Corps' recommendation is that TMT refine the proposal further, that we implement it, then take a look

at BPA's financial projections next week, he said.

You're suggesting that a spill program begin, at least at Bonneville and The Dalles, as soon as possible, and that TMT will reconvene to discuss John Day spill? Ruff asked. TMT needs to reconvene to flesh the spill program out in more detail, so that we can capture the spill operation in a teletype and get it underway, Arndt replied. You're talking about an emergency TMT meeting? Ruff asked. Yes, Arndt replied.

What's your point about BPA's financial analysis? Lamb asked. If you have compelling evidence that providing this spill program would be devastating, from a financial or system reliability standpoint, we need to know about that, Arndt replied. So are you saying we should implement the spill program right now, before we have that financial analysis and before we know when WNP-2 is going down? Litchfield asked. I think what the Corps is advocating is an incremental approach, with off-ramps if, for example, the financial picture looks too alarming, Bill Tweit replied.

The 200 MW-month proposal, as I understand it, is intended to be flow- and criteria-neutral, Arndt reiterated – it is not intended to cause an exceedance of the criteria that were set up in the federal operating plan this spring. If that is incorrect, he said, someone please correct me.

Our response to the proposal, even with that understanding, is that BPA doesn't view this proposed spill program is financially or criteria-neutral, said Lamb.

The federal operators requested a brief caucus at this point. When the session resumed, Ruff suggested that the TMT reconvene on Monday to fully articulate the spill program. Arndt said it looks as though the soonest TMT could meet is Monday; it is possible that a spill program could begin as soon as Monday evening. BPA has also agreed to provide some additional financial analysis to inform Monday's meeting, Arndt said. Lamb replied that Tuesday morning would be better, from BPA's perspective. Once we have that financial analysis, and we have the TMT define the exact spill operation that would be implemented, then we can revisit this issue, Arndt said.

What additional financial and reliability information is BPA going to be able to provide? Eric Bloch asked. The most important piece is that we should know exactly when WNP-2 will be going down, and they may have a better idea of how long it will take to fix the problem, Lamb replied. Is it possible that they could delay the repairs until after any spill program takes place? That doesn't address the financial or system reliability concerns, Lamb said – a week's outage at WNP-2 is equivalent to 250 MW-months of energy.

Why can't we spill while we wait for that information? Bloch asked. Again, BPA is concerned about the financial and system reliability effects of spill this summer, Lamb replied. Bloch observed that 200 MW-months of spill is insignificant, compared to the 28,000 MW-months federal storage target. When a system is running on the edge, as has been the case in

California, sometimes a few megawatts can mean the difference between blackouts and no blackouts, Lamb replied. The real bottom line here is that if we take a risk with system reliability and we're wrong, then there is no way out of that situation, said Lamb – while I appreciate that you do not agree with BPA's position on this, that is still our position, she said.

The discussion continued in this vein for some minutes. Ultimately, Ruff reiterated that the TMT will convene on Monday afternoon to flesh out the technical details of the proposed spill program; BPA will provide its financial and system reliability analysis on Tuesday morning, and IT will reconvene on Tuesday morning to make a final decision on the spill program, Ruff said.

TMT will need some sideboards, if they are to reach resolution on the technical details of the spill proposal, said Wagner – is 200 MW-months the upper limit for the spill program this summer, for example? I think it is safe to assume that 200 MW-months is the ceiling for spill this summer, Arndt said.

Heinith said that, given the urgency of the situation, he would prefer if TMT could reconvene later this afternoon so that spill could occur over this weekend, if possible.

After a few minutes of further discussion, it was agreed that the IT will reconvene via conference call at 9 a.m. Tuesday. It was further agreed that TMT will reconvene via conference call Monday at 1 p.m. With that, the conference call was adjourned. Meeting notes prepared by Jeff Kuechle, BPA contractor.

Participant List:

Mike O'Bryant - Columbia Basin Bulletin
Paul Wagner, Jim Ruff, John Palensky, Gary Fredricks - NMFS
Stan Grace, Jim Litchfield - Montana
Tony Norris, Jim Fodrea - BOR
Dave Wills - USFWS
Therese Lamb, Bill Maslen - BPA
Ruth Buress - PGE
Bill Tweit- WDFW
Scott Corwin - PNGC Power
Margaret Filardo - FPC
Karl Weist, Eric Bloch - NPPC OR
Lee Garnett - KPAM Radio
Doug Arndt, Gale Lear, Cindy Henriksen, Rock Peters, Ruth Abney, Dick Cassidy - COE
Guy Norman, Christine Mallette - ODFW
Bob Heinith - CRITFC